CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 9, 2006

TO: Mayor and Councilmembers

FROM: Water Resources, Public Works Department

SUBJECT: Sewer Lateral Inspection Program/Ordinance

RECOMMENDATION: That Council:

A. Receive a presentation on the Sewer Lateral Inspection Program and draft ordinance;

B. Provide direction on finalizing the draft ordinance requiring sewer lateral inspections; and

C. Provide direction on options and funding of programs to encourage residents to voluntarily inspect laterals.

EXECUTIVE SUMMARY:

Private laterals are connected to, and function as part of the City of Santa Barbara (City) wastewater collection system. Wet weather overflows caused by the inflow or infiltration (I&I) of rainwater into the sewer system and faulty laterals are the leading causes of collection system overflows.

The City expends significant resources to operate and maintain City owned lines to prevent overflows. City efforts have been successful in reducing overflows. However, without controlling the source problem on private property, the City's ability to further reduce overflows is limited. To identify a strategy to address this problem the Ordinance Committee received public input and directed staff to develop a draft ordinance to require the inspection of sewer laterals at certain times.

Incentive options are being proposed to encourage property owners to proactively inspect and replace laterals and to lessen the cost to property owners for lateral inspection and replacement. Proposed incentives include rebates to property owners, and strategies to keep the cost of replacing sewer laterals as reasonable as possible.

REVIEWED BY: _____Finance _____Attorney

Agenda Item No._____

DISCUSSION:

Background

The sewer system serving the City is comprised of interconnected pipes that are publicly and privately owned. The interconnectivity of the system means that problems on private property can move into the public system resulting in overflows caused by blockages, or excess flow. High flows to the treatment plant during storms can reduce the effectiveness of the wastewater treatment process.

Existing City Sewer System

The City owns, maintains, and operates 263 miles of sewer mains. These pipes are located beneath City streets or in City easements. Eighty percent of the City-owned sewer mains are eight inches in diameter or smaller. The pipes connecting homes and businesses to the sewer mains (laterals) are privately owned. Private laterals are primarily located on private property, but usually extend into the public right-of-way. Sewer laterals are part of the building's plumbing, and it is the responsibility of the property owners to maintain them. Staff estimates that there are at least 350 miles of privately-owned sewer laterals in the City.

Each year, the City spends approximately $4 million inspecting, cleaning, maintaining, repairing and replacing the publicly owned portion of the sewer system. These efforts have significantly reduced the number of overflows resulting from stoppages and rainwater I&I in the past ten years. In contrast to City sewer mains, privately owned laterals generally are not maintained until they fail. Poorly maintained laterals allow roots to grow into them. When a plumber removes the roots, they are sometimes released into the City owned pipes where they cause a blockage or sewage spill.

Broken or cracked pipes, missing cleanout caps, and illegal connection of outdoor drains to the sewer system allow rainwater into the sewer system during wet weather. Since the collection system is designed to carry only wastewater generated inside homes, and because the majority of the City's sewer mains are only eight inches in diameter, the system can be easily overwhelmed by rainwater discharges. In other cities, it has been estimated that up to 80% of the rainwater entering the wastewater collection system comes from private property. I&I from private property is considered the predominant source of high wet weather flows in Santa Barbara. The City has spent significant resources replacing and rehabilitating public pipes over the past two decades. We have seen a significant reduction in the magnitude and duration of wet weather flows. However, during wet weather we still experience very high flows at the treatment plant, and in larger storms the collection system sometimes spills. To address these remaining problems, it is necessary to require maintenance on the private portion of the system (laterals) as well as continue City efforts to improve the public mains.

Public Outreach and Participation

Reducing adverse private property effects on the public sewer system is the primary objective of the proposed sewer lateral inspection program. This was the premise of discussions with stakeholders and the general public during the public outreach process.

Public outreach included:

- Fourteen meetings with stakeholder groups;
- Two publicly noticed general meetings; and
- Two presentations to the Ordinance Committee.

Additionally, the two most recent wastewater newsletters included articles alerting the public of a possible lateral inspection program.

Channel Keeper, Heal the Ocean, and the Association of Realtors have been active participants in the process to identify and develop a lateral inspection program. A concern of these groups is the potential effect of leaking sewers on creek and ocean water quality. These groups have advocated for the City to implement an aggressive program, dubbed the grid system, which would require all property owners to inspect and repair laterals within 10 years. These groups recognize that sewer lateral replacement can be expensive and are also advocating that sewer rates be significantly increased to provide a pool of money that can be used as a funding source for residents who are required to replace laterals.

The City is currently sponsoring two cutting edge research studies to look at sources, transport, and the fate of pathogens in the environment. At this time, however, there is no conclusive scientific data showing leaking sewers as a source of ocean or creek contamination in Santa Barbara. Staff has requested that Channel Keeper provide data showing sewers as a source of creek and ocean contamination; but, to date, has not received any information.

Staff is not supportive of a grid system for the following reasons:

- It is not the norm - staff has not identified any other communities requiring systematic replacement of sewer laterals. Nor has staff found communities that have addressed sewer lateral issues in order to address leakage to the environment.
- A grid system would be administratively burdensome to develop and implement, and would require enacting penalties against property owners as a mechanism for enforcement.
- Sewer rates would need to increase by 30% to 60% to provide financial relief to property owners required to replace laterals.
- Public outreach has not included the grid system as a proposed approach.

In the absence of data showing the effect of leaking sewers on creek and ocean water quality, and without substantial public outreach to inform property owners of a grid system, it is premature to pursue a grid system.

A program targeted at problem laterals (as defined below) will increase public awareness of the need for lateral maintenance and provide data about the condition of private laterals. This information, coupled with findings of the current research studies, will provide a basis to evaluate the need for, and most effective manner in which to expand the scope of the lateral inspection program. This incremental approach will also allow private contractors to gear up to provide necessary service.

Ordinance Committee Direction to Staff

On March 29, 2006, the Ordinance Committee directed staff to:

1. Develop a draft ordinance for Council's review and comment that would require property owners to have their laterals inspected by a private contractor in the following situations:

    - Prior to issuance of a Building Permit for expansion of space by 400 or more square feet;
    - Prior to issuance of a Building Permit for addition of two or more new plumbing fixtures;
    - Chronic problems – if the lateral has been blocked more than once in a 12-month period;
    - When there is a spill from the lateral;
    - When a defect is identified during smoke testing;
    - When, during inspection of City main lines, roots, excess clear water, or other problems are identified as coming from the lateral;
    - Once every ten years for all commercial properties, condominiums, and other properties with three or more dwellings sharing private sewer pipes; and
    - Upon direction of the Public Works Director, when there is reasonable cause to believe there may be a problem with, or illegal connections to the sewer lateral.

2. Develop and present incentive programs to Council; and

3. Integrate lateral inspection into the Zoning Information Report (ZIR) process.

Draft Ordinance

The draft ordinance is attached, and when finalized and adopted, will provide the legal mechanism to implement a sewer lateral inspection program as discussed above.

Incentive Programs

The following programs and funding levels have been identified by staff. If directed by Council, the sewer rates for 2008 will be increased to generate additional revenues to fund these programs. Should Council wish to fund incentive programs sooner, wastewater fund reserves would need to be appropriated.

Rebate for Inspection - Provide property owners a $150 rebate to offset the cost of lateral inspection. The average cost of inspection for a sewer lateral is about $200. Providing a substantial portion of the cost for this inspection may encourage property owners to investigate the condition of their laterals. Property owners would also be given a certificate of compliance good for five years, or a list of defects and a correction notice. Funding at a level sufficient to rebate 430 inspections requires approximately $65,000. A one-half percent rate increase, or approximately 14¢ per month for single-family residential ratepayers, should generate sufficient revenues for this program.

Lateral Replacement Rebate - Rebates of the lesser of $2,000 or half the cost of lateral replacement or rehabilitation for property owners will offer an inducement for property owners to proactively replace laterals. Other communities have implemented similar programs and have set rebate amounts as proposed above. Funding at $200,000 per year would provide sufficient revenues to fund approximately 100 rebates. A 1.5% rate increase, or approximately 42¢ per month for single-family residential rate payers, should generate sufficient revenue to fund this program.

Pre-set Pricing Lists - Develop and distribute a list of plumbers who have agreed to publish and honor set prices for inspection, rehabilitation and replacement, and other necessary work for the proper maintenance of private laterals. Plumbers would be asked to provide a cost per foot of inspection; depth dependent cost per foot for rehabilitation; and other unit costs common to lateral repair. This information would be published in a list provided to property owners by the City. It would provide plumbers an incentive to quote competitive prices and provide customers easy rate comparison. Staff anticipates this approach would provide downward pressure on prices. The extent of willingness for plumbers to participate is unknown, but rebates could be linked to a requirement that plumbers participate. No additional revenues are needed for this administrative approach.

Public Bidding - Customers with laterals connected to sewer mains that are scheduled for replacement or repair could be encouraged to have their lower lateral replaced at the bid price of the larger public project. With this option, bid specifications could be written to include a bid item for replacement of lower laterals tied to pipes in the project. It would also exempt property owners from the need to obtain necessary permits and contract with a plumber to provide services. The City would pay the contractor and then bill the property owner for reimbursement. This approach would require significant administrative time on a sporadic basis; however, staff believes this effort can be absorbed by existing staff. No additional revenues are needed for this administrative

approach; however, there may be as-yet unidentified legal or liability concerns that prevent actual implementation.

Zoning Information Report (ZIR) Modification

Currently Community Development staff complete inspections and fill out ZIRs for all properties changing hands. The ZIRs identify code compliance issues at the property. Staff has identified appropriate changes to the ZIR and is working to implement changes to the ZIR form and inspection procedures. There may be a need for an additional wastewater collection system staff person to follow up on issues identified during the ZIR inspection process.

ATTACHMENT: Draft Ordinance

PREPARED BY: Rebecca Bjork/RB/nrs

SUBMITTED BY: Anthony J. Nisich, Public Works Director

APPROVED BY: City Administrator's Office